CHAPTER 145

PROFESSIONS AND OCCUPATIONS

HOUSE BILL 96-1282

BY REPRESENTATIVES Foster, Acquafresca, George, and Martin; also SENATOR Bishop.

AN ACT

CONCERNING ALCOHOLIC BEVERAGES.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 12-46-103 (1.7) (d), Colorado Revised Statutes, 1991 Repl. Vol., as amended, is amended to read:

- **12-46-103. Definitions.** As used in this article, unless the context otherwise requires:
- (1.7) "Good cause", for the purposes of refusing or denying a license renewal or initial license issuance, means:
- (d) Evidence that the licensee has conducted its licensed premises in a manner that adversely affects the health, welfare, or safety of the neighborhood in which the licensed establishment is located. Evidence that the licensed premises have been operated in a manner that adversely affects the public health, welfare, or safety of the immediate neighborhood in which the establishment is located, which evidence must include a continuing pattern of fights, violent activity, or disorderly conduct. For purposes of this paragraph (d), "disorderly conduct" has the meaning as defined in section 18-9-106, C.R.S.

SECTION 2. 12-47-103 (4.5) (b) and (4.5) (d), Colorado Revised Statutes, 1991 Repl. Vol., as amended, are amended to read:

12-47-103. Definitions. As used in this article, unless the context otherwise requires:

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

- (4.5) "Good cause", for the purposes of refusing or denying a license renewal or initial license issuance, means:
- (b) The licensee or applicant has failed to comply with any special terms or conditions THAT WERE placed on its license in prior disciplinary proceedings or by agreement between the licensee and the licensing authority OR AROSE IN THE CONTEXT OF POTENTIAL DISCIPLINARY PROCEEDINGS;
- (d) Evidence that the licensee has conducted its licensed premises in a manner that adversely affects the health, welfare, or safety of the neighborhood in which the licensed establishment is located. Evidence that the licensed premises have been operated in a manner that adversely affects the public health, welfare, or safety of the immediate neighborhood in which the establishment is located, which evidence must include a continuing pattern of fights, violent activity, or disorderly conduct. For purposes of this paragraph (d), "disorderly conduct" has the meaning as defined in section 18-9-106, C.R.S.
- **SECTION 3.** 12-47-113.1 (2) (b), Colorado Revised Statutes, 1991 Repl. Vol., is amended to read:
- **12-47-113.1.** Limited winery license. (2) A limited winery licensee is authorized:
- (b) To sell vinous liquors of its own manufacture within this state at wholesale, σ retail, or to consumers, INCLUDING SALES TO BE DELIVERED BY COMMON CARRIER TO PURCHASERS WHO HAVE VISITED THE LICENSED PREMISES IN PERSON. ANY SHIPPING CONTAINER SENT UNDER THIS PARAGRAPH (b) SHALL BE CLEARLY LABELLED TO INDICATE THAT SUCH CONTAINER SHALL NOT BE DELIVERED TO A MINOR, AS DEFINED IN SECTION 2-4-401 (6), C.R.S., OR TO AN INTOXICATED PERSON. THE WINE SHIPMENT PERMIT PROVISIONS OF SECTION 12-47-126.5 (2) ARE NOT APPLICABLE TO ANY INTERSTATE WINE SHIPMENT MADE BY A LIMITED WINERY LICENSEE PURSUANT TO THIS PARAGRAPH (b).
- **SECTION 4.** 12-47-123 (2), Colorado Revised Statutes, 1991 Repl. Vol., as amended, is amended to read:
- **12-47-123. State fees.** (2) The state licensing authority shall establish fees for processing the following types of applications, notices, or reports required to be submitted to the state licensing authority: Applications for new liquor licenses pursuant to section 12-47-107 and regulations thereunder; applications to change location pursuant to section 12-47-128 (5) (g) (I) and regulations thereunder; applications for transfer of ownership pursuant to section 12-47-106 (4) (c) and regulations thereunder; applications for modification of licensed premises pursuant to section 12-47-106 and regulations thereunder; applications for branch warehouse permits pursuant to section 12-47-115 and regulations thereunder; applications for approval of a contract to sell alcoholic beverages pursuant to section 12-47-119 (2) (c); applications for warehouse storage permits pursuant to section 12-47-105 and regulations thereunder; applications for duplicate licenses; APPLICATIONS FOR WINE SHIPMENT PERMITS PURSUANT TO SECTION 12-47-126.5; sole source registrations or

new product registrations pursuant to section 12-47-128 (3) (c) and (6); hotel and restaurant optional premises registrations; and notice of change of name or trade name pursuant to section 12-47-106 and regulations thereunder. The amounts of such fees, when added to the other fees transferred to the liquor enforcement division cash fund pursuant to sections 12-46-110 (2), 12-47-124 (1), and 12-48-104, shall reflect the direct and indirect costs of the division in the administration and enforcement of this article and articles 46 and 48 of this title. At least annually, the amounts of the fees shall be reviewed and, if necessary, adjusted to reflect such direct and indirect costs.

SECTION 5. 12-47-126.5, Colorado Revised Statutes, 1991 Repl. Vol., is amended to read:

- **12-47-126.5.** Interstate wine shipments. (1) Notwithstanding the provisions of this article or any other law to the contrary, an adult resident or a THE holder of an alcoholic beverage license THAT AUTHORIZES THE MANUFACTURE OF VINOUS LIQUORS in a state which THAT affords Colorado adults or licensees an equal reciprocal shipping privilege may ship, for personal use and not for resale, not more than two cases of vinous liquors (no more than nine liters in each case) per month to any adult resident in this state. Delivery of a shipment pursuant to this section shall not be deemed to constitute a sale in this state. The shipping container of any vinous liquors sent into or out of this state under this section shall be clearly labeled to indicate that the package cannot be delivered to a minor, as defined in section 2-4-401 (6), C.R.S., or to an intoxicated person. No adult resident or THE holder of an alcoholic beverage license THAT AUTHORIZES THE MANUFACTURE OF VINOUS LIQUORS in a state other than Colorado may advertise in Colorado the availability of products by shipment to Colorado residents pursuant to the provisions of this section. Any order for a product to be delivered pursuant to this section shall be made by the purchaser in person at the licensed premises of the alcoholic beverage licensee from whom the product is purchased.
- (2) (a) ANY PERSON AUTHORIZED UNDER SUBSECTION (1) OF THIS SECTION TO SHIP VINOUS LIQUORS TO AN ADULT RESIDENT IN THIS STATE SHALL OBTAIN A WINE SHIPMENT PERMIT FROM THE STATE LICENSING AUTHORITY. APPLICATIONS FOR WINE SHIPMENT PERMITS SHALL BE MADE ON FORMS PREPARED AND FURNISHED BY THE STATE LICENSING AUTHORITY AND SHALL BE FILED WITH THE STATE LICENSING AUTHORITY. APPLICANTS SHALL INCLUDE SUCH INFORMATION AS THE STATE LICENSING AUTHORITY MAY REQUIRE TO DETERMINE WHETHER A PERMIT SHOULD ISSUE
- (b) All wine shipment permits issued pursuant to this subsection (2) shall be valid for one year from the date of issuance, unless revoked or suspended pursuant to section 12-47-110. A wine shipment permit issued pursuant to this subsection (2) shall be considered a license for purposes of section 12-47-110; except that only the authority delegated to the state licensing authority under section 12-47-110 with respect to licenses shall apply to a wine shipment permit issued under this subsection (2).

SECTION 6. 12-47-127 (1) (b.1), Colorado Revised Statutes, 1991 Repl. Vol., is amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

- 12-47-127. Excise tax records. (1) (b.1) (I.5) EFFECTIVE JULY 1, 2000, A WINE DEVELOPMENT FEE AT THE RATE OF 1.0 CENT PER LITER IS IMPOSED ON ALL VINOUS LIQUORS SOLD, OFFERED FOR SALE, OR USED IN THIS STATE. AN AMOUNT EQUAL TO ONE HUNDRED PERCENT OF THE WINE DEVELOPMENT FEE COLLECTED PURSUANT TO THIS SUBPARAGRAPH (I.5) SHALL BE TRANSFERRED FROM THE GENERAL FUND TO THE COLORADO WINE INDUSTRY DEVELOPMENT FUND, CREATED IN SECTION 35-29.5-105, C.R.S. SUCH TRANSFERS SHALL BE MADE BY THE STATE TREASURER AS SOON AS POSSIBLE AFTER THE TWENTIETH DAY OF THE MONTH FOLLOWING THE COLLECTION OF SUCH WINE DEVELOPMENT FEE.
- **SECTION 7.** 12-47-128 (1), Colorado Revised Statutes, 1991 Repl. Vol., is amended BY THE ADDITION OF A NEW PARAGRAPH to read:
- **12-47-128.** Unlawful acts gambling exceptions. (1) Except as provided in section 18-13-122, C.R.S., it is unlawful for any person:
- (I) Who is a common carrier regulated under article 10 or 11 of title 40, C.R.S., or is an agent or employee of such common carrier, to deliver alcoholic beverages for any person who has not been issued a license or permit pursuant to this article.
- **SECTION 8.** 12-47-130 (2), Colorado Revised Statutes, 1991 Repl. Vol., as amended, is amended to read:
- **12-47-130. Violations and penalty.** (2) Any person violating any of the provisions of section 12-47-128 (1) (a), (1) (f), (1) (g), (1) (i), $\frac{1}{1}$ (k), (5) (a) (I), or (5) (c) (I) commits a class 2 misdemeanor and shall be punished as provided in section 18-1-106, C.R.S.
- **SECTION 9. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 2, 1996